

29<sup>th</sup> August 2017

National Stock Exchange of India Limited  
Bandra Kurla Complex  
Bandra East  
Mumbai – 400 051

Bombay Stock Exchange Limited  
P.J.Towers  
Dalal Street  
Mumbai – 400 001

Sirs

Sub: Appointment / Reappointment of Directors at the 31<sup>st</sup> Annual General Meeting (AGM)-reg.

This is to inform you that the following Directors have been appointed / reappointed at the 31<sup>st</sup> AGM of the Company held on 28<sup>th</sup> August 2017:

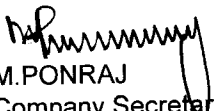
S.No	Name of the Director	Appointment / Reappointment	Tenure of Appointment	Relationship with other Directors
1.	Mr.Sheilendra Bhansali	Appointment as Independent Director	5 years from 10 <sup>th</sup> July 2017 to 9 <sup>th</sup> July 2022	Not related to any Director/s.
2.	Mr.G.R.Karthikeyan	Reappointment as Independent Directors	To hold office for a consecutive period starting from 29 <sup>th</sup> August 2017 and extending upto 28 <sup>th</sup> August 2019 or the date of 33 <sup>rd</sup> AGM, whichever is later	
3.	Dr.K.Mohan Naidu			
4.	Mr.R.C.H.Reddy			
5.	Mr.G.S.V.Subba Rao			
6.	Mr.R.Varadarajan	Reappointment of as Wholetime Director	Three years effective from 5 <sup>th</sup> June 2017 ; and also liable to retire by rotation	Son of Ms.Rajshree Pathy, Chairperson
7.	Dr.P.Surularayanasami	Reappointment as Director	Liable to retire by rotation	
8.	Mr.Aditya Krishna Pathy	Appointment as Director	Liable to retire by rotation	
9.	Mr.Aditya Krishna Pathy	Appointment as Managing Director	Three years effective from 30 <sup>th</sup> June 2017 ; and also liable to retire by rotation	

The Brief profile of the aforesaid Directors, the letters of appointment of the Independent Directors and the terms of appointment for Mr.Aditya Krishna Pathy and Mr.R.Varadarajan are enclosed herewith.

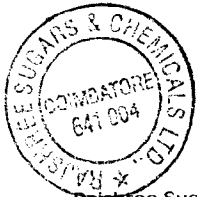
Kindly take the above information on record.

Thanking you

For and on behalf of  
RAJSHREE SUGARS & CHEMICALS LIMITED

  
M.PONRAJ  
Company Secretary

Enc: As above



Rajshree Sugars & Chemicals Limited, *The Uffizi*, 338/8, Avanashi Road, Peelamedu, Coimbatore - 641004, TN, India.

T: +91 - 422 4226222, 2580981-82 F: +91 - 422 2577929 E: rscl@rajshreesugars.com W: www.rajshreesugars.com

CIN: L01542TZ1985PLC001706

## **RAJSHREE SUGARS & CHEMICALS LIMITED**

### **Terms of appointment**

#### **Mr. Aditya Krishna Pathy, Managing Director**

- a) **Salary / perquisites / commission/** any combination thereof, not exceeding 5% of the net profits of the company for a financial year, computed in the manner laid down in section 197(1) of the Act.
- b) **In the case of absence or inadequacy of profits** in any financial year during the tenure, the Company shall pay a sum not exceeding Rs.184 lakhs (Rupees one hundred and eighty four lakhs only) per annum, as minimum remuneration. Provided that the following perquisites, if extended, shall not be considered for computing the remuneration limits:
- (i) Contribution to Provident Fund, Superannuation Fund or Annuity Fund to the extent these either singly or put together are not taxable under the Income Tax Act, 1961;
  - (ii) Gratuity payable at a rate not exceeding half a month's salary for each completed year of service; and
  - (iii) Encashment of earned leave at the end of the tenure
  - (iv) Provision of Company's mobile phone and telephone at his residence for official purposes.
  - (v) Provision of company's car with driver for official purposes. Personal use of car, if any, shall be billed and paid for by the Director.
- c) **Sitting fees** for attending meetings of the Board of Directors and committees thereof to the same extent as any other director may be entitled to under section 197(5) of the Act.

The total remuneration drawn from both the companies (namely Rajshree Sugars & Chemicals Limited and The Lakshmi Mills Company Limited, ) shall not exceed the higher maximum limit, under the Companies Act, 2013, admissible from any one of the said companies of which he is a wholetime managerial personnel.

#### **Mr.R.Varadarajan as Wholetime Director**

Salary : Rs.5,20,000/- per month

Perquisites : Leave Travel Allowance of Rs.2,60,000/- per annum

Contribution to Provident Fund, Superannuation Fund or Annuity Fund.

Gratuity payable at a rate not exceeding half a month's salary for each completed year of service.

Encashment of earned leave at the end of the tenure.

Provision of Company's mobile phone and telephone at his residence for official purposes.

Provision of Company's car with driver for official purposes. Personal use of car, if any, shall be billed and paid for by the Director.



**RAJSHREE SUGARS & CHEMICALS LIMITED**

**BRIEF PROFILE OF DIRECTORS APPOINTMENT / REAPPOINTMENT AT THE 31<sup>ST</sup> AGM  
HELD ON 28<sup>TH</sup> AUGUST 2017**

**Mr. Sheilendra Bhansali (DIN 00595312)**

Mr. Sheilendra Bhansali, born on 4<sup>th</sup> July 1965, graduated in Commerce from the PSG College of Arts and Science in 1985 and qualified as a Chartered Accountant in 1987. He is a partner of M/s Kumbhat & Co., Chartered Accountants, with offices at Chennai, Coimbatore, Bangalore and Mumbai.

Mr. Sheilendra specializes in internal audits, management consulting and financial planning.

He is a frequent speaker at various educational institutions on topics related to financial planning.

Keenly interested in quizzing, he was the President of the Quiz Foundation, Coimbatore and is Vice President of Coimbatore Quiz Circle and has conducted over 300 quizzes so far including inter-school, inter-collegiate, corporate and national open quizzes.

Mr. Sheilendra Bhansali was also on the Board of Studies of the School of Management of Karunya University for two years. Currently he is on the Board of Coimbatore Enterprises & Holdings Ltd (erstwhile Coimbatore Stock Exchange), Bhansali Securities Private Limited and Ishita Advisory Services Private Limited. He is also a Trustee of the Ajit Singhvi Education and Training Trust.

A past member of Coimbatore Metropolitan Round Table 62, he is currently a member of the Rotary Club of Coimbatore Metropolis.

He does not hold any share in the Company. He is not a relative to any director of the Company.

**Mr. G.R. Karthikeyan (DIN 01587747)**

He has a Master degree in Business Administration and hails from the PSG family of Coimbatore. He has wide experience in the management of strategy and operations of large organizations and has been directly associated with the textile industry for more than 43 years. He is a motor sports enthusiast.

**Other Directorships**

Sri Karthikeya Spinning & Weaving Mills Pvt Ltd.  
RND Softech Pvt Ltd.  
Leap Green Energy Pvt Ltd.  
Lotus Eye Hospital & Institute Ltd.  
Coimbatore Auto Sports Club

**Membership in Committees**

Nil  
Nil  
Nil  
Nil  
Nil



He holds membership in the following committees of the Company.

Audit Committee	Member
Nomination & Remuneration Committee	Member
Compensation Committee (w.e.f 29.5.2017)	Member

He holds 1,040 shares in the Company.

**Dr.K.Mohan Naidu (DIN 01774192)**

A Doctorate in Agriculture with specialization in crop physiology, he has vast experience in sugarcane varietal improvement. Dr.Naidu headed the prestigious Sugarcane Breeding Institute of Indian Council of Agricultural Research (ICAR) situated at Coimbatore.

In his long association of over a decade with this institute, he has pioneered research for many new varieties of sugarcane.

He has traveled widely in South & North America, Africa and Asia in various capacities and positions offering consultancy and advisory services with regard to sugarcane breeding & culture.

Some of his achievements include the release of improved sugarcane varieties to suit various agro-climatic zones, working out selection indices to develop sugarcane varieties resistant to moisture stress, establishment of four sugarcane research centres & sugarcane breeding institute, bio-technology, bio-control and seed technology laboratories and organisation of sugarcane seed programmes in tropical zones.

He pioneered the transfer of technology program to improve sugarcane production in several states of India and trained development workers for a P.G. Program in association with Tamilnadu Agricultural University.

He has also published about 49 research papers, 35 technical papers, 20 popular articles, published one book and 24 bulletins in his subject.

He has been elected as a Fellow of the National Academy of Agriculture Sciences, India. He has been actively involved in various scientific bodies like the Germ plasm Committee of the International Society of Sugarcane Technologists. He also served as Vice President of the Sugarcane Technologists Association of India and Editor of Indian Sugar Crops Journal.

**Other Directorships**

Sri Sarvaraya Sugars Ltd.

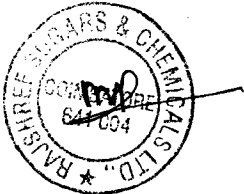
**Membership in Committees**

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He holds membership in the following committees of the Company.

Audit Committee	Member
Corporate Social Responsibility Committee	Member
Share Transfer Committee (w.e.f.29.5.2017)	Member
Compensation Committee (w.e.f 29.5.2017)	Chairman

He holds 1,000 equity shares in the Company.



**Mr.R.C.H.Reddy (DIN 00006184)**

Mr.R.C.H.Reddy is an Engineering graduate in textile technology and holds post graduate diploma in business management from the University of Madras. He has more than four decades of experience in various companies in the field of engineering and business operations.

He has wide expertise in the fields of production, marketing, engineering, operations and administration.

**Other Directorships**

**Membership in Committees**

Lakshmi Precision Tools Ltd.,	--
Lakshmi Card Clothing Mfg.Co.Pvt Ltd	--
Harshni Textiles Ltd	2
Lakshmi Electrical Drives Ltd	1
Lakshmi Automatic Loom Works Ltd	3
Lakshmi Ring Travellers (Coimbatore) Ltd.	2

He holds membership in the following committees of the Company.

Audit Committee	Member
Share Transfer Committee	Member
Nomination & Remuneration Committee	Member
Compensation Committee (w.e.f 29.5.2017)	Member

He holds 832 equity shares in the Company.

**Mr.G.S.V.Subba Rao (DIN 00001697)**

Mr.G.S.V.Subba Rao, B.Com, MA, CAIIB (Certified Association of Indian Institute of Bankers), retired as Deputy General Manager of the State Bank of India after working in various capacities in the Bank. He has wide experience in handling various Corporate clients during his employment in the Bank.

He has wide expertise in the Banking sector, credit appraisal, finance and general administration.

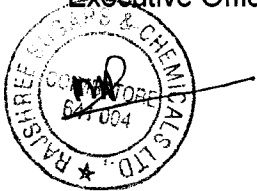
He holds no Directorship / membership of committees in other Companies. He is the Chairman of Audit Committee of the company.

He does not hold any share in the Company.

**Mr.R.Varadarajan (DIN 00001738)**

Mr.R.Varadarajan, who has a Masters' Degree in Business Management, has been associated with the Company since its inception and is currently the Wholetime Director of the organization.

He has had a brief stint as Head, Faculty of Management studies of the PSG College of Arts & Science, Coimbatore where he had undertaken a special assignment in designing and implementing a three year undergraduate management programme to groom future Chief Executive Officers of Family Owned Businesses.



He leads a team, which handles Project Management, Strategic planning, legal affairs and general administration of all group companies. He has spearheaded the project team of the company through all stages of its development and expansion activities ranging from sugar to distillery to co-generation of power. Under his dynamic leadership, the company became the first ISO 9001:2000 certified integrated sugar complex in India, manufacturing sugar, alcohol, power, organic manure and bio-products.

Other Directorships

Membership in Committees

Sri Krishna Potable Products Pvt Ltd	--
COCCA Art & Design Institute Pvt. Ltd.	--
Petal Hotels Pvt. Ltd.	--
Lakshmi Automatic Loom Works Ltd.	1

He holds membership in the following committees of the Company.

Stakeholder Relationship Committee	Member
Share Transfer Committee	Chairman
Corporate Social Responsibility Committee	Member

**Dr.P.Surularayanasami (DIN 01468527)**

Dr.P.Surularayanasami (DIN 01468527; Date of Birth 15.1.1938) who retires by rotation and being eligible offers himself for reappointment. His brief profile is as follows:

He has completed his doctorate in Engineering in the USA. He is a civil and structural engineer with interests in software development and fund management.

Other Directorships

Membership in Committees

L.S.Property Developers Pvt. Ltd.	Nil
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He holds 11,31,107 equity shares in the Company.

**Mr.Aditya Krishna Pathy (DIN : 00062224)**

Mr.Aditya Pathy is the Deputy Managing Director of The Lakshmi Mills Company Limited, a textile manufacturing company that produces yarns and fabric. He graduated in Business and Management from the University of Exeter, United Kingdom in the year 2008.

He serves on the committee of administration of The Cotton Textile Export Promotion Council (TEXPROCIL).

He is a director on the board of Lakshmi Card Clothing Pvt. Ltd. since 2008.

Mr.Aditya Pathy had previously served on the board of Rajshree Sugars and Chemicals Limited for one year during 2012 to 2013.

Mr.Aditya is the founder and managing partner of Rajshree Biosolutions, a biotech company that produces products for the agriculture, fish and shrimp farming industry.

He is a trustee in the G.Kuppuswamy Naidu Memorial Hospital (GKNMH), a non-profit healthcare institution, which provides affordable high quality healthcare for the underprivileged.



He is also an active member of the Confederation of Indian Industry (CII).

He holds Directorship and membership in Committees of other Companies as follows:

Directorship in other companies

Membership in Committees

The Lakshmi Mills Co. Ltd.	--
Lakshmi Card Clothing Mfg. Co. Pvt. Ltd.	Nil
Coimbatore Lakshmi Cotton Press Pvt. Ltd.	Nil
Sans Craintes Stud Farm Pvt. Ltd.	Nil
Sans Craintes Live Stock Pvt. Ltd.	Nil
L.C.C. Investments Ltd.	Nil
The Cotton Textiles Export Promotion Council	Nil

He holds membership in the following committees of the Company.

Stakeholder Relationship Committee	Member
Share Transfer Committee	Member



Date: 28.8.2017

Mr.G.R.Karthikeyan  
DIN : 01587747  
14 Hozur Road, Coimbatore 641 018

Dear Sir

**Sub: Appointment of Independent Director - reg**

We are pleased to inform you that the Members of the Company at the 31<sup>st</sup> Annual General Meeting (AGM) held on 28<sup>th</sup> August 2017 have Resolved to appoint you as an Independent Director of the Company to hold office for a consecutive period starting from 29<sup>th</sup> August 2017 and extending upto 28<sup>th</sup> August 2019 or the date of 33<sup>rd</sup> AGM, whichever is later.

Your role, functions, duties and responsibilities, as Independent Director shall be as per the provisions of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 read with the provisions of Section 166, Schedule IV of the Companies Act, 2013 and the Rules made thereunder. Your appointment is also governed by the 'Company's Code of Conduct for Directors and Employees' and 'Company's Code of Conduct for Prevention of Insider Trading' under SEBI (Insider Trading) Regulations, adopted by the Board of Directors of the Company from time to time .

During the said tenure of office, as may be decided by the Board, you may also be required to serve on one or more of Committees of the Board, such as Audit Committee, Nomination and Remuneration Committee, Stakeholders Relationship Committee, Corporate Social Responsibility Committee, etc.,

To protect the interest of all the Directors, the Company will be taking out a Directors and Officers Liability Insurance Policy to cover all the statutory liabilities of the Directors and Officers of the Company.

The dates of the Meetings of Board of Directors and the Committees thereof will be intimated to you well-in-advance to enable you to attend the meetings.

As per the present Nomination and Remuneration Policy of the Company, you are entitled to Sitting Fees for attending the meetings of the Board and the Committees of the Board, as is determined by the Board. At present, the Directors are being paid Sitting Fee of Rs.50,000/- for every Board meeting and Rs.20,000/- for every Committee meeting attended by them. In addition, you will be entitled to reimbursement of all travelling and out of pocket expenses incurred for attending the meetings.

The receipt of this Letter of Appointment may kindly be acknowledged.

Thanking you

For and on behalf of  
RAJSHREE SUGARS & CHEMICALS LIMITED

RASHREE PATHY  
Chairperson

Enc:

- I. RSCL Code of Conduct
- II. RSCL Code of Conduct for Insider Trading

AGREE AND ACCEPT

G.R.KARTHIKEYAN



**Rajshree Sugars & Chemicals Limited**

The Uffizi, 338/8, Avanashi Road, Peelamedu, Coimbatore - 641004, TN, India.

T: +91 - 422 4226222, 2580981-82 F: +91 - 422 2577929 E: rscl@rajshreesugars.com W: www.rajshreesugars.com



Date : 28.8.2017

Mr. Sheilendra Bhansali  
DIN : 00595312  
"Amrit",  
24A, Bharathi Park Road No.2  
Coimbatore 641043.

Dear Sir

**Sub: Appointment of Independent Director - reg**

We are pleased to inform you that the Members of the Company at the 31<sup>st</sup> Annual General Meeting (AGM) held on 28<sup>th</sup> August 2017 have Resolved to appoint you as an Independent Director of the Company to hold office for a period of five consecutive years from 10<sup>th</sup> July 2017 to 9<sup>th</sup> July 2022.

Your role, functions, duties and responsibilities, as Independent Director shall be as per the provisions of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 read with the provisions of Section 166, Schedule IV of the Companies Act, 2013 and the Rules made thereunder. Your appointment is also governed by the 'Company's Code of Conduct for Directors and Employees' and 'Company's Code of Conduct for Prevention of Insider Trading' under SEBI (Insider Trading) Regulations, adopted by the Board of Directors of the Company from time to time .

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For and on behalf of  
RAJSHREE SUGARS & CHEMICALS LIMITED

RASHREE PATHY  
Chairperson

AGREE AND ACCEPT

*Sheilendra Bhansali*  
SHEILENDRA BHANSALI

Enc:

- I. RSCL Code of Conduct
- II. RSCL Code of Conduct for Insider Trading



**Rajshree Sugars & Chemicals Limited**

The Office, 33B/8, Avanashi Road, Peelamedu, Coimbatore - 641004, T.N., India.

T: +91 - 422 4226222, 2580981-82 F: +91 - 422 2577929 E: rscl@rajshreesugars.com W: www.rajshreesugars.com

CIN: L15437TN09580001700

Date : 28.8.2017

Mr.G.S.V.Subba Rao  
DIN : 00001697  
Flat No.201, Krishna Vihar,  
2-2-16/2, D.D.Colony,  
Bagh Amberpet,  
Hyderabad – 500 007

Dear Sir

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RAJSHREE SUGARS & CHEMICALS LIMITED

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AGREE AND ACCEPT

G.S.V. SUBBA RAO



**Rajshree Sugars & Chemicals Limited**

The Units, 338/B, Avanashi Road, Peelamedu, Coimbatore - 641004, TN, India.

T: +91 - 422 4226222, 2580981-82 F: +91 - 422 2577929 E: rscl@rajshreesugars.com W: www.rajshreesugars.com

Date : 28.8.2017

Mr.R.C.H. Reddy  
DIN : 00006184  
House No.8-2-293/82/JIII/564 /A/46/B,  
Plot No.1250 (JHHBS), Road No. 92 (Road No.12 Extension),  
Jubilee Hills,  
Hyderabad 500 033.

Dear Sir

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Chairperson

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AGREE AND ACCEPT



R.C.H. REDDY



**Rajshree Sugars & Chemicals Limited**

The Uffizi, 338/8, Avanashi Road, Peelamedu, Coimbatore - 641004, TN, India.

T: +91 - 422 4226222, 2580981-82 F: +91 - 422 2577929 E: rscl@rajshreesugars.com W: www.rajshreesugars.com

Date : 28.8.2017

Dr.K. Mohan Naidu  
DIN : 01774192  
Old No. 10-B, New No. 95-A,  
Lalbagadur Colony,  
Peelamedu  
Coimbatore 641 004

Dear Sir

**Sub: Appointment of Independent Director - reg**

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RASHREE PATHY  
Chairperson

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- I. RSCL Code of Conduct
- II. RSCL Code of Conduct for Insider Trading

AGREE AND ACCEPT



K. MOHAN NAIDU



**Rajshree Sugars & Chemicals Limited**

The Uffizi, 338/8, Avanashi Road, Peelamedu, Coimbatore - 641004, TN, India.

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## **ANNEXURE - I**

### **CODE OF CONDUCT FOR DIRECTORS AND EXECUTIVES OF RAJSHREE SUGARS & CHEMICALS LIMITED**

The Board of Directors and Senior Management of Rajshree Sugars & Chemicals Limited subscribe to the following code of conduct adopted by the Board. The Code is prescribed in order create corporate culture that promotes highest standards of ethical conduct in the interests of shareholders and all other stakeholders and to provide guidance to the directors to help them recognize and deal with ethical issues.

#### **1. HONESTY AND INTEGRITY**

The Directors and Executives shall act honestly and with integrity in all their dealings for the company. They shall not discriminate on the grounds of peoples' race, religion, gender, marital status or disability.

#### **2. CONFLICT OF INTEREST**

Directors and Executives must avoid any conflicts of interest between the director and the Company. Directors should make business decisions in the best interest of the Company. Actions by Directors and Executives must be based on sound business judgement and not motivated by personal interest or gain. A "conflict of interest" can occur when:

- a. A director's personal interest is adverse to, or may appear to be adverse to, the interest of the Company as a whole.
- b. A director or his relative receives personal benefits as a result of his or her position as a director of the Company.
- c. The Company does business with entities in which the Directors or their relatives are interested.

Any situation that involves, or may reasonably be expected to involve, a conflict of interest with the Company, should be disclosed promptly to the Board of Directors.

#### **3. CORPORATE OPPORTUNITIES**

Directors and Executives are prohibited from:

- a. Taking for themselves or their companies, opportunities that are discovered through the use of Company information or position as a director.
- b. Using the Company's property or information for personal gain; or
- c. Competing with the Company for business opportunities.

#### **4. GIFTS, FAVOURS AND ENTERTAINMENT**

The Directors and Executives should not accept or provide gifts, favours or entertainment in their role as Company Director or Executive from or to persons or entities with which the Company has or is likely to have a business relationship.

#### **5. PROTECTING COMPANY ASSETS**

Directors and Executives should protect the Company assets and ensure their efficient utilisation. Company resources should be used only to conduct company business or for purposes authorized by management.

#### **6. CONFIDENTIALITY**

Directors and Executives must maintain the confidentiality of information entrusted to them by the Company and any other confidential information about the Company that comes to them, from whatever source, in their capacity as a director or Executive, except when disclosure is authorized or legally mandated.

For purpose of this Code, "confidential information" includes all non-public information relating to the Company.

#### **7. COMPLIANCE WITH LAWS, RULES AND REGULATIONS**

Directors and Executives must comply, and oversee compliance by employees, officers and other directors, with laws, rules and regulations applicable to the Company.

## 8. FAIR DEALING

Directors and Executives must deal fairly, and must oversee fair dealing by employees and officers, with the Company's customers, suppliers, competitors and employees.

## 9. INSIDER TRADING

The Directors and Executives should not use confidential information for personal benefit. The Directors and Executives should not trade in securities or tip others to trade in securities of the Company on the basis of material information before it is made publicly available to ordinary investors through appropriate media.

## 10. ENCOURING THE REPORTING OF ANY ILLEGAL OR UNETHICAL BEHAVIOUR

Directors and Executives should promote ethical behaviour and take steps to ensure the Company:

- a. Encourages employees to talk to supervisors, managers and other appropriate personnel when in doubt about the best course of action in a particular situation.
- b. Encourages employees to report violations of laws, rules, regulations or the Company's Code of Conduct to appropriate personnel.
- c. Informs employees that the Company will not allow retaliation for report made in good faith.

## 11. COMPLIANCE STANDARDS

Directors and Executives should communicate any suspected violations of this Code promptly to the Board of Directors. Violations will be investigated by the Board or by persons authorised by the Board, and appropriate action will be taken in the event of any violations of the Code.

## 12. WAIVER OF CODE OF CONDUCT

Any waiver of this Code may be made only by the Board of Directors

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## ANNEXURE - II

### CODE OF CONDUCT FOR PREVENTION OF INSIDER TRADING UNDER REGULATION 12(1) OF THE SECURITIES AND EXCHANGE BOARD OF INDIA (INSIDER TRADING) (AMENDMENT) REGULATIONS, 2002

#### 1.0 Compliance Officer

- 1.1 The Company Secretary shall be the compliance officer who shall report to the Chairperson and Managing Director.
- 1.2 The compliance officer shall be responsible for:
  - (a) Setting forth policies, procedures, monitoring adherence to the rules for the preservation of "Price Sensitive Information":
  - (b) Pre-clearing of designated employees' and their dependants' trades (directly or through respective department heads as decided by the company); and
  - (c) Monitoring of trades and the implementation of the code of conduct under the overall supervision of the Board of Directors/ Share Transfer Committee of the Board.

Explanation: For the purpose of this schedule, the term 'designated employee' shall include:-

- (i) officers comprising the top three tiers of the company management and all employees in the finance, **accounts and secretarial departments**.
- (ii) the employees designated by the company **from time to time** to whom these trading restrictions shall be applicable, keeping in mind the objectives of this code of conduct.

1.3 The compliance officer shall maintain a record of the designated employees and any changes made in the list of designated employees.

1.4 The compliance officer shall assist all the employees in addressing any clarifications regarding the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992 and the company's code of conduct as amended from time to time.

## **2.0 Preservation of " Price Sensitive Information"**

2.1 Directors/ designated employees shall maintain the confidentiality of all Price Sensitive Information. They shall not pass on such information to any person directly or indirectly by way of making a recommendation for the purchase or sale of securities.

### **2.2 Need to know**

Price Sensitive Information is to be handled on a "need to know" basis, i.e., Price Sensitive Information should be disclosed only to those within company who need the information to discharge their duty.

### **2.3 Limited access to confidential information**

Files containing confidential information shall be kept secure. Computer files must have adequate security of login, password etc.

## **3.0 Prevention of misuse of "Price Sensitive Information"**

3.1 All directors and designated employees of the company shall be subject to trading restrictions as enumerated below:-

### **3.2 Trading window**

3.2.1 The company shall specify a trading period, to be called "**Trading Window**", for trading in the company's securities. The trading window shall be closed during the time the information referred to in para 3.2.3 is un-published.

3.2.2 When the trading window is closed, the directors and designated employees shall not trade in the company's securities.

3.2.3 The trading window shall be, inter alia, closed at the time of:-

(a) Declaration of Financial results (quarterly, half-yearly and annual)

(b) Declaration of dividends (interim and final)

(c) Issue of securities by way of public/rights/bonus etc.

(d) Any major expansion plans or execution of new projects

(e) Amalgamation, mergers, takeovers and buy-back

(f) Disposal of whole or substantially whole of the undertaking

(g) Any changes in policies, plans or operations of the company

3.2.4 The trading window shall be opened 24 hours after the information referred in para 3.2.3 is made public.

3.2.5 All directors and designated employees of the company shall conduct all their dealings in the securities of the Company only in a valid trading window. They shall not deal in any transaction involving the purchase or sale of the company's securities during the periods when trading window is closed, as referred to in para 3.2.3 or during any other period as may be specified by the Company from time to time.

3.2.6 In case of ESOPs, exercise of option may be allowed in the period when the trading window is closed. However, sale of shares allotted on exercise of ESOPs shall not be allowed when trading window is closed.

### **3.3 Pre clearance of trades**

- 3.3.1 All directors/ designated employees of the company who intend to deal in the securities of the company above a minimum threshold limit of **5,000 (five thousand) equity shares** should pre-clear the transactions as per the pre-dealing procedure as described hereunder.
- 3.3.2 An application for pre-clearance may be made to the Compliance Officer in such form as the company may notify in this regard. Such application shall disclose the following information:
- (a) The estimated number of securities that the director/ designated employee intends to deal in;
  - (b) The details as to the depository with which he has a security account;
  - (c) The details as to the securities of the company held in such depository mode; and
  - (d) Such other details as may be required by any rule made by the company in this behalf from time to time.
- 3.3.3 The director/designated employee shall, at the time of seeking pre-clearance, execute an undertaking in favour of the company incorporating, inter alia, the following clauses, as may be applicable:
- (a) That he/she does not have any access or has not received "Price Sensitive Information" upto the time of signing the undertaking.
  - (b) That in case he/she has access to or receives "Price Sensitive Information" after the signing of the undertaking but before the execution of the transaction, he/she shall inform the Compliance officer of the change in his/her position and that he/she would completely refrain from dealing in the securities of the company till the time such information becomes public.
  - (c) That he/she has not contravened the code of conduct for prevention of insider trading as notified by the company from time to time.
  - (d) That he/she made a full and true disclosure in the matter.

### **4.0 Other restrictions**

- 4.1 All directors/designated employees shall execute their order in respect of securities of the company ***within one week*** after the approval of pre-clearance is given. If the order is not executed within one week after the approval is given, the director/ designated employee must pre clear the transaction again.
- 4.2 All directors/designated employees shall ***hold their investments in securities for a minimum period of 30 days*** in order to be considered as being held for investment purpose. The holding period shall also apply to subscription in the primary market (IPOs). In the case of IPOs the holding period would commence when the securities are actually allotted.
- 4.3 In case the sale of securities is necessitated by personal emergency, the compliance officer may, on an application, waive the minimum holding period after recording in writing his/her reasons in this regard.

### **5.0 Reporting Requirements for transactions in securities**

- 5.1 All directors/designated employees of the company shall be required to forward following details of their securities transactions including the statement of dependant family members namely, **spouse, minor children, dependant parents, brothers, sisters and other dependant relatives** to the Compliance officer:
- (a) All holdings in securities of that company by directors/ designated employees at the time of joining the company. In case of existing directors/ designated employees the details may be furnished as on the date the Insider Trading Regulation came into effect viz. 20<sup>th</sup> February, 2002;



- (b) **Quarterly** statement of any transactions in securities **including transactions for which pre-clearance was obtained**; and
- (c) Annual statement of all holdings in securities.
- 5.2 The Compliance officer shall maintain records of all the declarations in the appropriate form given by the directors/designated employees for a minimum period of three years.
- 5.3 The Compliance officer shall place before the Chairman and Managing Director/ Share Transfer Committee or any other officer/committee specified by the Board, **on a monthly basis**, all the details of the dealing in the securities by directors/ designated employees of the company and the accompanying documents that such persons had executed under the pre-dealing procedure as envisaged in this code.
- 6.0 Penalty for contravention of code of conduct**
- 6.1 Any director/designated employee who trades in securities or communicates any information for trading in securities, in contravention of the code of conduct may be penalised and the company may take appropriate action against them.
- 6.2 Directors/designated employees of the company who violate the code of conduct shall also be subject to such disciplinary action by the company, which may include wage freeze, suspension, ineligibility for further participation in employee stock option plans, etc. **as may be decided by the Board of Directors from time to time.**
- 6.3 The action by the company shall not preclude **SEBI** from taking any action in case of violation of **SEBI** (Prohibition of Insider Trading) Regulations, 1992.
- 7.0 Information to SEBI in case of violation of SEBI (Prohibition of Insider Trading) Regulations, 1992.**
- 7.1 In case it is observed by the company/compliance officer that there has been a violation of **SEBI** (Prohibition of Insider Trading) Regulations, 1992, **SEBI** shall be informed by the company.

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